

Article - Real Property

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§9–201.

(a) For the purposes of this subtitle, “managing agent” means an employee of a contractor or subcontractor who is responsible for the direction over or control of money held in trust by the contractor or subcontractor under subsection (b) of this section.

(b) (1) Any money paid under a contract by an owner to a contractor, or by the owner or contractor to a subcontractor for work done or materials furnished, or both, for or about a building by any subcontractor, shall be held in trust by the contractor or subcontractor, as trustee, for those subcontractors who did work or furnished materials, or both, for or about the building, for purposes of paying those subcontractors.

(2) An officer, director, or managing agent of a contractor or subcontractor who has direction over or control of money held in trust by a contractor or subcontractor under paragraph (1) of this subsection is a trustee for the purpose of paying the money to the subcontractors who are entitled to it.

(c) (1) Nothing contained in this subtitle shall be construed as requiring money held in trust by a contractor or subcontractor under subsection (b) of this section to be placed in a separate account.

(2) If a contractor or subcontractor commingles money held in trust under this section with other money, the mere commingling of the money does not constitute a violation of this subtitle.

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